

The Credibility Gap: GOP Tax Cuts and Jobs



"My economic plan is summed up in one word: jobs."

President George Bush
Washington Post, 01/23/02



"The jobs and growth package will create more than 1 million new jobs."

House Majority Tom DeLay
Cong. Record, 5/22/03

For three years, the Bush Administration and the Republican Congress have promised that their tax cut plans would stimulate the economy and create jobs. Instead, the opposite has occurred. The Bush Administration and the Republican Congress have pursued policies that created what can only be described as an economic bust for the American worker.

- **Unemployment is up, opportunity is down.**
- **Poverty is up, income is down.**
- **Health care costs are up, the number of Americans with health insurance is down.**
- **Anxiety is up, prosperity is down.**

Republicans must be held accountable for promises made and not kept.

WHAT REPUBLICANS PROMISED:

"We believe strongly that the tax relief plan that was approved by Congress in '01, and most recently in '03, is going to have a **very positive effect on economic growth** and vitality."

- President George Bush [GOPUSA, 8/14/03]

"This administration is optimistic about job creation. As of this moment ... the [tax relief] plans we have in place are robust enough to **create jobs**."

- President George Bush [Reuters, 08/13/03]

"The '01 tax cuts affected the recession this way: It was a shallow recession. That's positive, because I care about people being able to find a job. You know, some have said, 'Well, maybe the recession should have been deeper in order for the rebound to be quicker.' My attitude is: A deeper recession means more people would have been hurt. And I view the actions we've taken as a **jobs program -- job-creation program**."

- President George Bush [AP, 08/03/03]

"The tax bill we passed is really good for the American economy and will make it **more likely somebody is going to find a job**."

- President George Bush [St. Paul Pioneer Press, 06/20/03]

"The principle of the bill is pretty simple. We believe the more money people have in their pockets, the more likely it will be that **somebody can find a job** in America."

- President George Bush [*CNN Money*, 5/22/03]

"For the sake of economic vitality, Congress has got to act and act boldly on this plan to get more of your own money back to you... I want there to be one thing on your mind when it comes to debating what's right or wrong. It's not politics. It's **helping people find a job** in the United States of America."

- President George Bush [CBS News, 5/13/03]

"With a robust package of at least \$550 billion in across-the-board tax relief, **we will help create more than a million new jobs**... Tax relief is good for families, and good for our entire economy. The jobs and growth plan I have proposed is fair; it is responsible; it is urgent. And Congress should pass it in full."

- President George Bush [CNN, 4/28/2003]

"The President's jobs and growth package will spur **real overall economic growth and create jobs**."

- White House Press Release [01/07/03]

"By speeding up the income tax cuts, we will speed up the **economic recovery** and the pace of job creation."

- President George Bush [BBC News, 01/07/03]

"My economic plan is summed up in one word: **jobs**. And that's what all of us in Washington ought to be asking: How do we create jobs for people who want to work in America?"

- President George Bush [Washington Post, 01/23/02]

"We think [the tax cut] is going to increase demand, and the end product will be **lots of new jobs**."

- Treasury Secretary John Snow [AP, 07/29/03]

"These tax cuts are front-loaded so the economy will get the biggest bang for the buck.... [W]e have a job to do. And **that job is to create jobs**. Vote for this bill. Vote to put the American people back to work."

- House Speaker Dennis Hastert [Cong. Record, 05/22/03]

"The jobs and growth package **will create more than 1 million new jobs**. It is not as large as some of us wanted; but I remind you, it is just the first step. All the American people need right now is the opportunity that they deserve, not the government, that they deserve. They deserve that opportunity to get this economy going again. So I urge my colleagues to do the right thing. Pass this jobs and growth package and give Americans that chance."

- House Majority Leader Tom DeLay [Cong. Record, 05/22/03]

"What we are doing is in this bill we are **creating jobs and growth** and opportunity... We can differ on what this bill is going to create in terms of the numbers of jobs, but I have not heard one economist say it is not going to create jobs. And that is what we are going to do in this bill, 1.2 million jobs. It is all about jobs. It is all about growth."

- Rep. Rob Portman [Cong. Record, 5/22/03]

"I am convinced that we have done the right thing. We are going to lay the groundwork to provide a tax-defined effort to **create jobs and growth in this country.**"

- Rep. David Dreier [Cong. Record, 05/22/03]

"Here we are today with a plan before us that has the potential to create 1.2 million jobs by the end of next year, a plan that would raise the total value of the stock market by at least \$550 billion...

[U]nderstand that right now we have the opportunity and the obligation to **create jobs and grow this economy.**"

- Rep. Deborah Pryce [Cong. Record, 5/9/03]

"The third thing that we needed to do, and we will do in this bill [Economic Recovery and Security Act of 2001], is to help amass capital in very crucial spots so that money will be invested in **creating jobs.** We do it in this bill."

- House Speaker Dennis Hastert [Cong. Record, 03/07/02]

H.R. 3090 [Economic Security and Recovery Act of 2001] is the right medicine for our economy. It is the best way to put people **back to work and create jobs.** This bill does that with incentives for business to create jobs and put America back to work."

- House Majority Leader Tom DeLay [Cong. Record, 10/24/01]

"The House passed a good growth tax bill. It will **put people back to work.** In fact, the analysis tells us it will put as many as 170,000 Americans back to work in its first year alone."

- Former Rep. Dick Armey [Cong. Record, 11/14/01]

WHAT REPUBLICANS DELIVERED:

- **3.3 Million Jobs Lost:** Under President Bush, 3.3 million jobs have been lost, 2.5 million of which were manufacturing jobs – the worst record since the Great Depression.
- **Rise in Poverty:** In 2002, the poverty rate increased for the second consecutive year as 1.7 million more people became poor. Now more people than ever – 34.6 million – live in poverty.
- **More Americans Uninsured:** The ranks of the uninsured swelled by 2.4 million last year as insurance costs kept rising and more Americans lost their jobs and health care coverage. The number of people without health insurance the entire year rose to 43.6 million, a jump of almost 6% from 2001 and the second consecutive annual increase.
- **Household Income Declines:** In 2002, median household income fell for the third straight year, to \$42, 209.
- **The Rich Get Richer:** In 2000, the "richest 1 percent" had the same amount of after-tax income as the poorest 40% (2.8 million Americans with the same after-tax income as the poorest 112 million), and the gap between those groups has more than doubled between 1979 and 2000.
- **The Deficit Explodes:** President Bush inherited a \$5.6 trillion ten-year budget surplus, excluding Social Security. The new ten-year budget outlook is a record-setting \$3.8 trillion deficit.